

LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: MARCH 2, 2006

FROM: MICHAEL TUERPE, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #7A: LAFCO 2987 – Sphere of Influence Review for Crestline-Lake Arrowhead Water Agency (Expansion) and San Bernardino Valley Municipal Water District (Reduction)

INITIATED BY

Agency Resolution, Crestline-Lake Arrowhead Water Agency

RECOMMENDATION

Staff is recommending that the Commission approve LAFCO 2987 by taking the following actions:

1. With respect to environmental review:
 - a. Certify that the Final Environmental Impact Report (EIR) and other related documents adopted by Crestline-Lake Arrowhead Water Agency (CLAWA) for the Snow Valley Annexation and Facility Improvements project (State Clearinghouse No. 2003121105) have been independently reviewed and considered by the Commission, its staff, and its Environmental Consultant;
 - b. Determine that the Final EIR for the Snow Valley Annexation and Facility Improvements project adopted by CLAWA is adequate for the Commission's use as a CEQA responsible agency for its determinations related to LAFCO 2987;
 - c. Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project; that the mitigation measures identified in CLAWA's environmental documents are the responsibility of CLAWA and others, not the Commission;

- d. Adopt the Candidate Findings of Fact and Statement of Overriding Considerations as prepared by the Commission's Environmental Consultant, as attached to the staff report; and
 - e. Direct the Clerk of the Commission to file a Notice of Determination within (5) days for this action, and find that no further Department of Fish and Game filing fees are required by the Commission's approval since CLAWA, as lead agency has paid said fees for its environmental determinations.
2. Approve LAFCO 2987.
 3. Adopt LAFCO Resolution #2910 setting forth the Commission's findings and determinations.

BACKGROUND

LAFCO 2987 is a proposal initiated by the Crestline-Lake Arrowhead Water Agency (CLAWA) to expand its sphere of influence by approximately 280 +/- acres and concurrently remove the same area from the sphere of influence of San Bernardino Valley Municipal Water District. The area proposed for change is part of a larger annexation proposal (LAFCO 2988) to support the construction of a pipeline and related improvements in order for CLAWA to provide the Snow Valley Mountain Ski Resort (Snow Valley) with a supplemental source of water for snow-making purposes.

The study area is located in the San Bernardino National Forest and is subject to the United States Department of Agriculture Forest Service land use restrictions. The area is generally located east of CLAWA's sphere of influence boundary, north and south of State Highway 18, and west of Green Valley Trail. Location and vicinity maps are included as Attachment #1.

Due to restrictions in its State Water contract, CLAWA is unable to provide water to Snow Valley unless Snow Valley is annexed into CLAWA's boundaries. In order to encompass the entirety of Snow Valley, this proposal for sphere of influence amendments is required to allow the annexation of its territory to CLAWA as proposed by the companion proposal, LAFCO 2988. This sphere review is required by Government Code 56373.5 which indicates that an annexation or reorganization proposal must be consistent with the agency's sphere of influence.

This proposed sphere modification splits three parcels and is inconsistent with State policy for proposed boundaries to conform with lines of assessment or ownership (Gov Code §56375). However, the Commission can override State law if it deems that there is a rationale to do so. In this case, LAFCO staff believes that the sphere expansion, as presented, provides for a logical service

boundary as it will allow for the extension of water service to only that area included within Snow Valley. The Forest Service, as the owner, has no objection to the boundaries as proposed not following lines of assessment and ownership. A copy of the Forest Service letter is included as a part of Attachment #2.

The water service proposed to be provided to Snow Valley would be made interruptible in the event CLAWA requires the water for other uses and is proposed to be delivered during the ski season when CLAWA has the least demand. Also, the water would be for snow-making purposes only; it is not intended for potable use.

The balance of this report provides staff responses to the “factors of consideration” required by State law for sphere of influence amendment proposals as outlined in Government Code Section 56425.

The present and planned land uses in the area

The entire sphere study area is within the San Bernardino National Forest and is owned by the United States Government. The existing land uses within the area consist of vacant lands and the recreational and commercial uses of Snow Valley. The current land use designations assigned by the County for the area are Bear Valley Resource Conservation (BV/RC) and Resource Conservation (RC). An Improvement Level 5 designation has been assigned to the area, and this designation is applied to areas with little or no development potential, and where only sparse development is expected in the long term. The area is also subject to the guidelines of the San Bernardino National Forest Land and Resource Management Plan, which recognizes Snow Valley as a permitted use in the National Forest.

Currently, CLAWA’s boundary and sphere in this eastern area are within the Hilltop Community Plan, while Snow Valley straddles the Hilltop and Bear Valley communities as defined by the County’s Community Plans. CLAWA must expand its sphere of influence into the Bear Valley community in order to encompass the entirety of Snow Valley. However, this project is consistent with goals and policies of both community plans by promoting economic development that is compatible with the mountain character of these communities.

The planned uses would continue to be forest and the ski resort. There is no additional development planned at this time. The proposed project is consistent with the plans and policies of the San Bernardino National Forest and County of San Bernardino General Plan.

The present and probable need for public facilities and services in the area

At the present time, the proposed area is vacant land requiring minimal levels of service. The area proposed for change is part of a larger annexation proposal (LAFCO 2988) to support the construction of a pipeline and related improvements in order to provide Snow Valley with interruptible water for snow-making purposes. The water anticipated to be provided is for snow-making purposes and not for consumption. The future need for service is not anticipated to change as a result of the proposed sphere expansion.

The present capacity of public facilities and adequacy of public services that the agency provides

The purpose of this sphere of influence proposal and LAFCO 2988 is to provide Snow Valley with a resource for supplemental water for snow-making purposes. The materials provided in the application indicate that the level of service anticipated can be provided by CLAWA. The water service proposed to be provided to Snow Valley would be made interruptible in the event CLAWA requires the water for other uses and is proposed to be delivered during the ski season when CLAWA has the least demand. The sphere of influence application is included as Attachment #3.

The existence of any social or economic communities of interest

Snow Valley is an economic community of interest in the San Bernardino National Forest. Its use as a ski resort is a permitted use in the Forest and is considered a single economic unit. This is the reason that the sphere expansion for CLAWA only includes the area within Snow Valley and not the entirety of the three parcels. The Forest Service agrees to the parcels not following lines of assessment and ownership, as this sphere modification addresses the water needs of a single economic community of interest.

However, the Snow Valley permitted area straddles the division established by the County Land Use Services Department for the community plans identified as "Hilltop" for the communities of Running Springs and Arrowbear, and "Bear Valley" for the communities of Fawnskin, Big Bear City, and Moonridge within the overall Big Bear Valley. CLAWA's boundary and sphere in this eastern area are currently confined to the Hilltop community. In order for Snow Valley to utilize the supplemental water resource from CLAWA, the entirety of its permitted area must be annexed and therefore must be included within the CLAWA sphere.

Staff has reviewed this question with the Planning Division of Land Use Services for the County who cannot provide documentation as to the rationale for the geographic division between the two communities set in the early 1980's. The community divide generally follows the crest of a ridge with the Bear Valley community sloping to the east, and the Hilltop community sloping to the west. While land belonging within a community plan is subject to the

goals and policies of that plan, community plans are defined by map only, there is no legal description to define such boundaries. However, this project is consistent with the goals and policies of both community plans by promoting economic development that is compatible with the mountain character of these communities. Furthermore, this proposal will neither change the Bear Valley Community Plan nor its land use designation. Thus, staff believes the expansion of CLAWA's sphere of influence will not impact the Bear Valley community because the proposed service is to exclusively provide Snow Valley and no other with a supplemental and interruptible source of water for snow-making purposes.

ENVIRONMENTAL

On November 4, 2004, acting as CEQA lead agency, CLAWA certified the Final EIR for the Snow Valley Annexation and Facility Improvements project and adopted a Finding of Fact and a Statement of Overriding Considerations. LAFCO staff and LAFCO Environmental Consultant have participated throughout the environmental process, having responded to the Notice of Preparation of the EIR and commenting on the Draft EIR.

The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed CLAWA's Final EIR and determined that it is adequate for the Commission's use as a CEQA responsible agency. A copy of CLAWA's Final EIR and Findings of Fact and Statement of Overriding Considerations was provided to Commission members on February 15, 2006. In addition, Mr. Dodson has provided a Candidate Findings of Fact and Statement of Overriding Considerations for the Commission's use (included as a part of Attachment #4). The necessary actions to be taken by the Commission, as a CEQA responsible agency, include the following:

1. Indicate the Commission has independently reviewed and considered CLAWA's Final EIR, Candidate Findings of Fact and Statement of Overriding Considerations, and related actions by CLAWA.
2. Determine that the Final EIR for the Snow Valley Annexation and Facility Improvements project is adequate for the Commission's use in making its decision related to the sphere proposal.
3. Indicate that it does not intend to adopt alternatives or mitigation measures for this project. Mitigation measures were required in the Final EIR to address potential significant impact issues. However, because the Commission does not have responsibility for these measures, the Commission will not adopt any alternatives or mitigation measures for this action.

4. Adopt the Candidate Findings of Fact and Statement of Overriding Considerations as presented by the LAFCO Environmental Consultant.
5. Direct the Clerk to file a Notice of Determination within five days for this action as a CEQA responsible agency.

ADDITIONAL DETERMINATIONS

1. San Bernardino Valley Municipal Water District consents to the reduction of its sphere of influence. A copy of its consent letter is included as a part of Attachment #2.
2. The Registrar of Voters has verified that the area within the sphere of influence study is legally uninhabited with no registered voters.
3. Notice of the Commission's hearing was provided in *The Alpenhorn News* and *The Sun*, newspapers of general circulation within the area, as required by law.
4. Individual notice was provided to four (4) landowners and zero (0) registered voters within the study area and to four (4) landowners and (0) registered voters within 1,350 feet surrounding the site. To date, staff has not received any written protests on the proposal; however, this finding will be updated at the hearing.

CONCLUSION

LAFCO 2987 represents a reasonable expansion of the sphere of influence for Crestline-Lake Arrowhead Water Agency in order for Snow Valley Mountain Ski Resort to receive an interruptible water source for snow-making purposes. For all the reasons identified within this report, staff recommends approval of LAFCO 2987.

Attachments:

1. Location and Vicinity Maps
2. Letters of Consent from the Forest Service and San Bernardino Valley Municipal Water District
3. Sphere of Influence Application Submitted by Crestline-Lake Arrowhead Water Agency
4. Response from the Commission's Environmental Consultant, Tom Dodson and Associates, and Candidate Findings of Fact and Statement of Overriding Considerations
5. Draft Resolution #2910